

# The Facts on Payday Lending in South Carolina

Prepared in cooperation with  
South Carolina Fair Share &  
South Carolina Appleseed Legal Justice Center



September, 2006

FOR IMMEDIATE RELEASE  
SEPTEMBER 7, 2006**MYRTLE BEACH SITE OF FIRST TOWN HALL MEETING  
ON PRACTICE OF PAYDAY LENDING IN SOUTH CAROLINA**

Could you imagine that a \$300 payday loan could end up costing you your home or forcing you to declare bankruptcy? AARP South Carolina and its community partners are concerned about the impact payday lending is having on South Carolina consumers.

An upcoming Payday Lending Town Hall meeting planned for Myrtle Beach will raise the issues, uncover the harm, and address concerns of payday lending as practiced in South Carolina. The town hall meeting will be held on **Thursday, September 14 at 5:30 p.m. at the Grand Strand Senior Center, 1268 21<sup>st</sup> Avenue North.**

"With 1,120 payday lending locations statewide – more than double the number from five years ago – payday lenders make it easy for consumers to get trapped in predatory debt," says Teresa Arnold, AARP South Carolina Legislative Director.

From July 2005 – June 2006, there were 52 new payday lending locations in South Carolina equating to one "grand opening" per week. There are 52 licensed payday lending businesses in Horry County alone.

According to South Carolina law, a payday lender can advance money - up to \$300 - to borrowers for a fee of no more than \$15 per \$100 borrowed for a period not to exceed 31 days. The borrower provides the lender a check dated on the date the check was written and the lender holds the check for a period of time as agreed to in a written contract before presenting it to the borrower's bank. The lender cannot renew or "flip" the loan with the borrower.

"The typical payday loan in South Carolina is for two weeks. That means that the loan has an annualized interest rate (APR) of 390%. If you kept paying off your loan every two weeks with a new loan for a year, you would have paid \$1,170 dollars on an initial \$300 loan. You would still owe \$300," Arnold said.

Payday lenders charged \$150 million in fees on more than 4.3 million loans in 2004 – closing more loans than the total population in South Carolina.

**-MORE-**

According to the AARP South Carolina survey of credit counselors (March 2005), one in four clients of the credit counselors surveyed had payday loans. The credit counselors stated that these clients usually had multiple loans and the loans were a major part of the clients' credit problems. Further, all the counselors said that payday loans are more of a problem today than they were three years ago. The complete survey is available online at: [http://research.aarp.org/consume/sc\\_credit.html](http://research.aarp.org/consume/sc_credit.html)

For more information on the town meeting, call AARP South Carolina at 1-866-389-5655 or [www.aarp.org/sc](http://www.aarp.org/sc).

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AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. We produce *AARP The Magazine*, published bimonthly; *AARP Bulletin*, our monthly newspaper; *AARP Segunda Juventud*, our bimonthly magazine in Spanish and English; *NRTA Live & Learn*, our quarterly newsletter for 50+ educators; and our Web site, [www.aarp.org](http://www.aarp.org). AARP Foundation is our affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

Town hall meeting partners include: South Carolina Fair Share, South Carolina Appleseed Legal Justice Center, Army Community Services, the South Carolina Mental Health Association, the South Carolina Credit Union League, the South Carolina Department of Consumer Affairs, Consumer Credit Counseling Services, Family Services, Inc., South Carolina Christian Action Council and Habitat For Humanity

8-25-06

Dear Teresa Arnold

My name is [REDACTED]  
of Lake View SC. I spoke to you on  
the phone on 8-24-06. About Payday  
Loans. I am disabled I have been  
on Disability ever since 1986 I only  
received disability and widow pension.  
I have a very high blood pressure since  
this happen. I am also a Diabetic and I  
have congest heart failure I have been in  
and out of the hospital. I also had Cancer  
in my right Breast. They remove my Breast  
and got all the Cancer Thank God I am alive.  
Any way getting back to payday Loans  
like I told you I had 10 of them at  
one time each month I had to pay off one  
to pay the other I ended up with no money  
to pay these 6 Loans I have beside these  
10. and my Rent, light Phone, Food, Gas,  
and I had nothing left. it left me behind  
in all of my other Bills I am still trying  
hard to catch up. Tell me what Can I do.  
I want to go Bankrupt but no money  
to do that with. I get phone calls every  
Day wanting to turn me in about my Bills.  
Any way here is The 10 Names and  
How much each Payday Loans was

II

Each month. I am glad I didn't end up in jail.

1. First American Advance Center - Dillon SC. \$690.00
  2. Advance America - Dillon SC. \$345.00
  3. McKellar Check Cashing - Dillon SC. \$345.00
  4. Check Into Cash - Dillon SC. \$345.00
  5. Local Cash Advance - Dillon SC. \$345.00
  6. B&B Cash Advance - Lake View, SC. \$345.00
  7. Cash Doctor Advance - Marion SC. \$345.00
  8. Express Check Advance - Marion SC. \$345.00
  9. Express Money Service - Marion SC. \$345.00 <sup>check \$115.00</sup>
  10. First American - Mullins, SC. \$345.00
- \$4,110.00 A month

These are the ones. The first one was 600.00 payback was \$690.00

The ones for \$300.00 and my payback was \$345.00

Then number 9 was for two loans <sup>one</sup> for \$300.00 payback \$345.00 the other one was \$100.00 payback was \$115.00 a total of \$460.00 together.

Some of them now I didn't have that kind of money in the Bank. I just enough in there so I didn't have to pay anything to have my disability check cash. So they turn my check in and I end up owing the Bank hundreds of Dollars. I still owe \$112.00 right now. I am still having it very hard. Please pray for me. I thank you! From [redacted]  
Please let me hear from you ok.

This letter was received in the AARP South Carolina state office.

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## **AARP's PAYDAY LENDING TOWN HALL MEETING SCHEDULE**

### **Myrtle Beach**

When: Thursday, September 14, at 5:30 p.m.

Where: Grand Strand Senior Center  
1268 21<sup>st</sup> Avenue North  
Myrtle Beach

### **Greenville**

When: Thursday, September 21, at 5:30 p.m.

Where: Greenville County Council Chambers  
County Square – Conf. Room A  
301 University Ridge  
Greenville

### **Columbia**

When: Thursday, September 28, at 5:30 p.m.

Where: Suggs and Kelly Law Firm – Vista Room  
(Corner of Taylor and Huger Streets)  
500 Taylor Street  
Columbia

### **Charleston**

When: Thursday, October 12, at 5:30 p.m.

Where: The Holiday Alumni Center – Renken Dining Room  
The Citadel  
Charleston

### **Rock Hill**

When: Thursday, November 9, at 5:30 p.m.

Where: Baxter Hood Center - York Technical College  
452 S. Anderson Road  
Rock Hill

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## **Facts on Payday Lending in South Carolina**

- According to South Carolina law, a payday lender can advance money - up to \$300 - to borrowers for a fee of no more than \$15 per \$100 borrowed for a period not to exceed 31 days. The borrower provides the lender a check dated on the date the check was written and the lender holds the check for a period of time as agreed to in a written contract before presenting it to the borrower's bank. The lender cannot renew or "flip" the loan with the borrower.
- The typical payday loan in South Carolina is for two weeks. That means that the typical loan has an annualized interest rate (APR) of 390 %. If you kept paying off your loan every two weeks with a new loan for a year, you would have paid \$1,170 dollars on an initial \$300 loan. You would still owe \$300.
- With 1,120 payday lending locations statewide – more than double the number from five years ago – payday lenders make it easy for consumers to get trapped in predatory debt.
- From July 2005 – June 2006, there were 52 new payday lending locations equating to one "grand opening" per week.
- Payday lenders charged \$150 million in fees on more than 4.3 million loans in 2004 – closing more loans than the total population in South Carolina.
- According to the AARP South Carolina survey of credit counselors (March 2005), one in four clients of the credit counselors surveyed had payday loans. The credit counselors stated that these clients usually had multiple loans and the loans were a major part of the clients' credit problems. Further, all the counselors said that payday loans are more of a problem today than they were three years ago. The complete survey is available online at: [http://research.aarp.org/consume/sc\\_credit.html](http://research.aarp.org/consume/sc_credit.html)

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## **Facts About Statewide Databases To Track Payday Loans**

- A centralized statewide database is the only effective means of enforcing “statewide caps” that are often included in legislation as a means of consumer protection.
  - Prevents the spiraling cycle of short term consumer debt
  - Protects consumer rights by verifying each transaction at the time (i.e. real-time) it is conducted is in full compliance with state law
- Limited need for human resources by state regulators for field examinations.
- Database enables up-to-date monitoring of transaction activity and identification of suspicious activity
- It can be a self funding program – the state does not pay for service
- Information in the database is private and is protected from public disclosure under state law. Consumer information is substantially more secure with a state managed database that is mandated and protected by state law to maintain privacy – the information cannot be sold or utilized for purposes other than compliance with state law – than with a third-party credit reporting service that uses the information for other purposes at their discretion
- There is no cost to interface with the database via the website. Minimal internal cost to lender to program their point of sale applications to receive standard auto interface
- A database will not report any information about consumer payment history, transaction history, ability to pay or credit worthiness. Database does not provide a credit score or any indication of borrower creditworthiness



**Payday Lenders  
by South Carolina County  
Per 10,000 Adults  
July 10, 2006**

County	Licensees	Population 18+	Licensees/ 10,000 Adults
Greenville	113	286,232	3.95
Richland	85	243,068	3.50
Spartanburg	81	190,890	4.24
Charleston	72	236,395	3.05
Florence	58	93,160	6.23
Horry	52	154,700	3.36
Aiken	49	105,204	4.66
Lexington	48	159,701	3.01
Anderson	44	124,968	3.52
York	39	121,330	3.21
Berkeley	38	102,726	3.70
Sumter	33	75,216	4.39
Orangeburg	29	67,813	4.28
Pickens	27	86,065	3.14
Greenwood	25	49,392	5.06
Dorchester	25	68,570	3.65
Darlington	24	49,685	4.83
Georgetown	20	41,753	4.79
Kershaw	19	38,897	4.88
Oconee	17	51,083	3.33
Laurens	17	51,980	3.27
Cherokee	16	38,967	4.11
Lancaster	16	45,756	3.50
Marion	16	25,672	6.23
Beaufort	16	92,794	1.72
Chesterfield	15	31,377	4.78
Colleton	14	27,749	5.05
Marlboro	13	21,269	6.11
Clarendon	12	24,139	4.97
Dillon	12	21,790	5.51
Newberry	10	27,407	3.65
Williamsburg	10	26,556	3.77
Union	8	22,755	3.52
Chester	8	24,901	3.21
Barnwell	6	16,869	3.56
Hampton	5	15,475	3.23
Bamberg	5	12,423	4.02
Abbeville	4	19,546	2.05
Fairfield	4	17,326	2.31
Lee	4	14,936	2.68
Jasper	4	15,137	2.64
Edgefield	3	18,664	1.61
Saluda	2	14,401	1.39
McCormick	1	8,021	1.25
Allendale	1	8,232	1.21
Calhoun	0	11,381	0.00
<b>TOTALS</b>	<b>1,120</b>	<b>3,002,371</b>	<b>3.73</b>

**South Carolina Payday Lender Licensees by City**  
**July 10, 2006**

City	Number	Percent
Columbia	81	7.2
Greenville	71	6.3
Spartanburg	48	4.3
North Charleston	39	3.5
Florence	37	3.3
Anderson	33	2.9
Sumter	32	2.9
Charleston	30	2.7
Rock Hill	27	2.4
Greenwood	25	2.2
Orangeburg	25	2.2
Aiken	23	2.1
Summerville	21	1.9
West Columbia	20	1.8
North Augusta	19	1.7
Easley	18	1.6
Myrtle Beach	18	1.6
Conway	15	1.3
Gaffney	15	1.3
Lancaster	15	1.3
Goose Creek	14	1.3
Camden	13	1.2
Georgetown	13	1.2
Greer	13	1.2
Hartsville	13	1.2
Lake City	13	1.2
Moncks Corner	13	1.2
Lexington	12	1.1
Seneca	12	1.1
Walterboro	12	1.1
Beaufort	11	1.0
Dillon	11	1.0
Marion	11	1.0
Simpsonville	11	1.0
Bennettsville	10	.9
Darlington	10	.9
Kingstree	10	.9
Laurens	10	.9
Manning	10	.9
Newberry	10	.9
Boiling Spring	9	.8
Cheraw	9	.8
Chester	8	.7
Mauldin	8	.7
Union	8	.7
Clinton	7	.6
Loris	7	.6
Batesburg-Leesville	6	.5
Clover	6	.5
North Myrtle Beach	6	.5
Taylors	6	.5

City	Number	Percent
Andrews	5	.4
Barnwell	5	.4
Cayce	5	.4
Irmo	5	.4
Mullins	5	.4
Piedmont	5	.4
Abbeville	4	.4
Bishopville	4	.4
Clemson	4	.4
Hampton	4	.4
Inman	4	.4
Lugoff	4	.4
Pickens	4	.4
St. George	4	.4
Williamston	4	.4
Winnsboro	4	.4
Woodruff	4	.4
York	4	.4
Bamberg	3	.3
Belvedere	3	.3
Chesnee	3	.3
Chesterfield	3	.3
Duncan	3	.3
Fountain Inn	3	.3
Holly Hill	3	.3
Johns Island	3	.3
Johnsonville	3	.3
McColl	3	.3
Mt. Pleasant	3	.3
Pageland	3	.3
Pelzer	3	.3
Port Royal	3	.3
Ridgeland	3	.3
Timmonsville	3	.3
Cottageville	2	.2
Denmark	2	.2
Edgefield	2	.2
Elgin	2	.2
Fort Mill	2	.2
Hardeeville	2	.2
James Island	2	.2
Little River	2	.2
Lyman	2	.2
Murrells Inlet	2	.2
Saluda	2	.2
St. Stephens	2	.2
Surfside Beach	2	.2
Travelers Rest	2	.2
Warrenville	2	.2
West Union	2	.2
Westminster	2	.2
Belton	1	.1
Blacksburg	1	.1
Bluffton	1	.1
Blythewood	1	.1
Bonneau	1	.1
Campobello	1	.1

City	Number	Percent
Chapin	1	.1
Clearwater	1	.1
Dalzell	1	.1
Fairfax	1	.1
Garden City	1	.1
Gaston	1	.1
Hemingway	1	.1
Honea Path	1	.1
Jamestown	1	.1
Johnston	1	.1
Kershaw	1	.1
Ladson	1	.1
Lake View	1	.1
Lamar	1	.1
Landrum	1	.1
Langley	1	.1
Liberty	1	.1
McBee	1	.1
McCormick	1	.1
Mt Pleasant	1	.1
Pamplico	1	.1
Pendleton	1	.1
Roebuck	1	.1
Santee	1	.1
Summerton	1	.1
Swansea	1	.1
Turbeville	1	.1
Varnville	1	.1
Walhalla	1	.1
Williston	1	.1
	1,120	100.0

**South Carolina Payday Lender Licenses by Company**  
**July 10, 2006**

Company	Number	Percent
Advance America	120	10.7
Check Into Cash	76	6.8
CheckMax	53	4.7
Express Check Advance	52	4.6
First American Cash Advance	50	4.5
Quick Cash	35	3.1
ACE America's Cash Express	34	3.0
Check 'n Go	31	2.8
Approved Cash Advance	27	2.4
Check Advance, Inc.	27	2.4
Local Cash Advance	27	2.4
The Money Store	22	2.0
Carolina Payday Loans, Inc.	21	1.9
Advance Til Payday	18	1.6
Express Money Service	18	1.6
Cash-O-Matic	16	1.4
Check Loans Of South Carolina	15	1.3
Advance Pay USA	14	1.3
Cash USA	12	1.1
PayDay USA	10	.9
Fast Cash Check Advance	9	.8
Mr. Check Advance	9	.8
A-1 Payday Advance	8	.7
Cash Advance	8	.7
Checkmate, Cash Advance	8	.7
First Choice Cash Advance	8	.7
Front Street Express Check	8	.7
Regional Check Advance	8	.7
All American Payday	7	.6
Family Cash Advance	7	.6
Palmetto Cash Express	7	.6
AAA Personal Check Advance	6	.5
American Eagle Pay Day Loans	6	.5
Cash Advance Check Cashing	6	.5
Check Masters	6	.5
NFC-Payday Advance	6	.5
A-1 Instant Check Advance	5	.4
Best Check Advance Of SC	5	.4
Cash Advance, Inc.	5	.4
Cash To Payday	5	.4
Fast Cash Payday Advance	5	.4
First Cash Advance	5	.4
Mr. Check Cashier	5	.4
Palmetto Payday Advance	5	.4
Advance Today	4	.4
Carolina Fast Cash	4	.4
Cash N Go Advance	4	.4
Cash On The Spot Check Cashier	4	.4
Check 0 Matic	4	.4
EZ Check Advance	4	.4
Kwik Kash	4	.4
Palmetto Quik Cash	4	.4
Peoples Payday Advance	4	.4
Stewart Cash Advance	4	.4

Company	Number	Percent
Timely Money Service	4	.4
Advance Cash Express	3	.3
Anytime Cash Advance, LLC	3	.3
Cash Advance Source, Inc.	3	.3
Cash N Advance	3	.3
Cash Time, Inc.	3	.3
Check Back	3	.3
Check Express	3	.3
Checks America	3	.3
First Check Advance	3	.3
Gusto Cash	3	.3
Happy Pay Day, Inc.	3	.3
Instant Check Advance	3	.3
Post-A-Check	3	.3
Urgent Money Service	3	.3
A-Z Check Cashing, Inc.	2	.2
AAA Cash Advance	2	.2
Advance Check USA	2	.2
Affordable Cash Loans	2	.2
B & B Cash Advance	2	.2
Cash Doctor Cash Advance	2	.2
Cash Fast	2	.2
Cash To Go Payday Loans	2	.2
Check Casher USA	2	.2
CheckBucks	2	.2
Checks Plus, Inc.	2	.2
Columbia Check Cashers, Inc.	2	.2
E Z Check Cashing	2	.2
EZ Check Cashing	2	.2
Fast Cash Advance	2	.2
Great American Cash Adva	2	.2
Instant Cash Advance	2	.2
McKellar Check Cashing, Inc.	2	.2
Money Man Pay Day Loans	2	.2
Mr. Money	2	.2
National Check Cashing	2	.2
NO-LIMIT Payday Advance	2	.2
Palmetto Cash Advance	2	.2
Payday Financial Center	2	.2
Payday Your Way	2	.2
Quick Buck Cash Advance	2	.2
S & W's Money Tree	2	.2
Speedee Cash Check Advance	2	.2
Ucash	2	.2
Upstate Check Express, Inc	2	.2
1st Choice Cash Advance	1	.1
1st Palmetto Payday Advance	1	.1
441 Check Casher	1	.1
76 Cash Advance	1	.1
A-1 Advance Checks, Inc.	1	.1
A-1 Cash Advance	1	.1
A-1 Check Cashing II	1	.1
A-1 Check Cashing, Inc.	1	.1
A+ Cash Advance	1	.1
A+ Payday Advance, LLC	1	.1
Action Express, Inc.	1	.1
Advance-A-Check, Inc.	1	.1

Company	Number	Percent
Advance On Checks	1	.1
Advance Today LLC	1	.1
Advanced Pay Day	1	.1
Advanced Payday Loans, Inc.	1	.1
Advantage Checking, Inc.	1	.1
Aladdin Check Cashing	1	.1
Alex's Cash Advance And C	1	.1
America's Cash Express	1	.1
America's Payday, LLC	1	.1
American Check Casher	1	.1
Anderson Cash Advance, LLC	1	.1
Anderson Quick Cash Corp	1	.1
Anykind Cash Advance, Inc.	1	.1
Berkeley Check Cashing	1	.1
Berkeley Payday Loans	1	.1
Blank Check, Incorporated	1	.1
Carolina Cash Of SC	1	.1
Carolina Easy Cash	1	.1
Carolina Quick Cash, LLC	1	.1
Cash-To-Payday	1	.1
Cash-Today, Inc.	1	.1
Cash 4 Checks	1	.1
Cash 4 U LLC	1	.1
Cash Advantage	1	.1
Cash Center	1	.1
Cash Express	1	.1
Cash In A Dash	1	.1
Cash In A Flash Payday Advance	1	.1
Cash Master	1	.1
Cash N-A Flash, Inc.	1	.1
Cash Now	1	.1
CashBack	1	.1
CashTyme, Inc	1	.1
Check-To-Cash, Inc.	1	.1
Check Casher Of Florence	1	.1
Check Casher Of Lugoff	1	.1
Check Casher Plus	1	.1
Check Magic	1	.1
Check One Cash Advance	1	.1
Check With Us	1	.1
Check World	1	.1
Checkmate	1	.1
Chextop	1	.1
Chubby Chex Pay Day Loan	1	.1
Coastal Cash	1	.1
Community Cash Service	1	.1
Community Check Advance	1	.1
Cool Cash Check Advance	1	.1
Crusader Cash Advance	1	.1
Currency Exchange	1	.1
D.J.' S Fast Cash	1	.1
Dalzell Check Casher	1	.1
Darlington Cash Advance	1	.1
Derry's Check Cashing	1	.1
E-Z PayDay Loans & Check	1	.1
Eastgate Check Advance	1	.1
Easy Cash Advance	1	.1

Company	Number	Percent
Elgin Quick Cash, LLC	1	.1
Emerald Payday Advance	1	.1
Emergency Cash	1	.1
Emergency Cash Advance	1	.1
Express Cash Advance	1	.1
EZ Advance Cash	1	.1
Fast Cash Check Advance,	1	.1
Fast Cash, Inc.	1	.1
Fast Cash, LLC	1	.1
First Trust Financial, Inc.	1	.1
Gamecock Check Cashier	1	.1
Garden City Check Advanc	1	.1
Gene's Payday Advance &	1	.1
Get Money Cash Advance	1	.1
Golden Strip Financial	1	.1
GreenBacks	1	.1
Guarantee Payday Loans	1	.1
Gusto Services, Inc.	1	.1
H & H Pay Day Loans	1	.1
Haig Resource Group, LLC	1	.1
Hartsville Payday Loans	1	.1
Imperial Cash Advance	1	.1
Insta Cash Payday Check Loans	1	.1
Instant Money	1	.1
Island Cash Advance	1	.1
JMB Cash Advance	1	.1
Just Check It!	1	.1
Kwik Cash	1	.1
Lamar Pay Day Cash Loans	1	.1
Liberty Check Cashing & Payday Loans	1	.1
Liberty Payday Advance	1	.1
Lowcountry Check Cashers	1	.1
M&R Check Cashing	1	.1
Moncks Corner Cash Advance	1	.1
Money Cash Advance of SC	1	.1
Money Matters Check Cashing	1	.1
MONEY NOW, LLC	1	.1
Moneyman Cash Advance	1	.1
Murray's Cash Advance	1	.1
On Time Cash Advance	1	.1
Pak A Sak Cash Advance	1	.1
Pamplico Payday Advance	1	.1
Pay Day Check Cashier, Inc	1	.1
Pay Day Loans Of Florence	1	.1
Pay Days Plus	1	.1
Paychek Now!	1	.1
Payday Cash Advance, Inc.	1	.1
Payday Everyday, Inc.	1	.1
PayDay Today, LLC	1	.1
Pee Dee Cash Advance	1	.1
Pickens Check Cashing, Inc	1	.1
Planet Cash	1	.1
Quick Check Pay	1	.1
Rapid Cash Advance	1	.1
Ready Cash	1	.1
Rosewood Cash Advance	1	.1
Select Cash Advance	1	.1



Company	Number	Percent
Seneca Quick Cash Corp.	1	.1
Smart Choice Check Advan	1	.1
South Park Check Advance	1	.1
Speedee Cash Check Adva	1	.1
Speedee Cash Of South Carolina	1	.1
Speedy Cash Advance, Inc.	1	.1
St. Stephens PayDay Loans	1	.1
The Cash Inn, LLP	1	.1
UnBanc, Inc.	1	.1
Uptown Cash #2	1	.1
Wesmark Check Casher	1	.1
Williams Cash Advance	1	.1
Your Choice Cash Advance	1	.1
Number	238	238
Total	1,120	100.0